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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

**Federal Communications Commission
Office of Secretary**

In the Matter of

**Assessment of Presubscribed
Interexchange Carrier Charges
On Public Payphone Lines**

96-262
CCB/CPD No. 98-34

COMMENTS OF SPRINT CORPORATION

Sprint Corporation hereby comments on the issues raised in the Commission's May 4, 1998 Public Notice, relating to the assessment of presubscribed interexchange carrier charges (PICCs) on payphone lines.

1. We seek comment on all issues raised in the following letters to Common Carrier Bureau representatives

Sprint believes the basic policy issues raised by the letters referred to in Question 1 are subsumed by the specific questions posed by the Commission and addressed below.

2. Does the Commission's existing rule governing collection of the PICC, 47 C.F.R. §69.153, permit price cap LECs to impose PICC charges for LEC public payphone lines and, if not, whether the rule should be amended to provide explicitly for assessment of PICCs on public payphone lines?

Section 69.153 of the Commission's rules permits LECs to assess PICCs on all common lines. Nothing in that section even suggests that the LECs could exempt LEC public payphone lines from such charges.

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3. Assuming that price cap LECs are permitted to assess PICC charges on public payphone lines, should the PICC be: (a) charged to presubscribed 1+ carrier; (b) charged to the presubscribed 0+ carrier; (c) imputed to the LEC's payphone unit as an end user; (d) split evenly between the 1+ and 0+ PIC; or (e) prorated among all IXCs that carry calls originating from a particular payphone each month? Commentors may also propose other alternative methods for allocating the public payphone PICC
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If there is a presubscribed 1+ carrier for the line, the PICC should be charged to that line. If not, then the LEC should bill the PICC directly to the entity that is billed for the payphone line. That practice is consistent with the Commission's treatment of all other lines and is how the Sprint local exchange carriers are assessing PICC charges on payphone lines. It would not be practical to require LECs to bill the PICC to the 0+ carrier. In the case of smart payphones, the local exchange carriers does not necessarily know the identity of the 0+ carrier. Moreover, such phones often translate a 0+ number to a 1+ number in any event. In the case of LEC-owned payphones, the 1+ carrier should be assessed the PICC, unless there is no presubscribed 1+ carrier for the line, in which case the LEC payphone unit should be charged. There is no basis for splitting the PICC charge evenly between the 1+ carrier and the 0+ carrier. As discussed above, the identity of the 0+ carrier may not be known to the LEC and 0+ calls may in fact be routed to the 1+ carrier. The other alternative suggested – prorating the PICC charge among all IXCs that carry calls originating from a particular payphone each month would create vast administrative problems for LECs in billing such charges and for IXCs in verifying such charges. It also would be inconsistent with the Commission's determination, in its Access Reform decision, not to spread the costs recovered by the PICC among the 1+ carrier and dial-around carriers.

4. Should all public payphones be charged the multiline business PICC, or should some public payphones, such as those that constitute the only telephone line at a given location, be charged the single-line business PICC?
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All payphones should be charged the multi-line business PICC, even if a particular payphone is the only payphone at a given location. Section 69.152(c) of the Commission's rules explicitly requires the multi-line business subscriber line charge to apply to payphones, and there is no reason to treat payphones any differently for purposes of applying PICCs.

5. Do policy reasons, practical considerations, or other factors suggest that price cap LECs should be permitted to assess PICCs on the LEC's public payphone lines that are different in amount, or collected from a different party, from those assessed on privately-owned payphones?
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There are no policy reasons, practical considerations or other factors that would permit LECs to assess PICCs on LEC-owned payphones any differently than such charges are assessed on privately-owned payphones. A fundamental purpose of Section 276 of the Act, and the Commission's policies thereunder, was to place LEC payphones on a equal footing with independently owned payphones for regulatory purposes. There is no warrant for introducing differential treatment with respect to access charges.

6. To what degree could imposition of PICC charges on any of the parties listed in Question (3) above, cause reductions in the availability of public payphone services, increases in rates, or reduction in competition for interstate, interLATA traffic originating from public payphones?
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Imposition of PICC charges on the 1+ carrier or, if there is no 1+ carrier, the payphone provider itself, should have no measurable impact on the availability of payphone services. Although it will result in a increase in the costs of the 1+ carrier, the 1+ carrier should be able to recoup these costs either by renegotiating its business relationship with the payphone provider or by appropriate changes to its rates for

interLATA 1+ calls. In any event, Sprint believes there is little room for debate on whether PICC charges do apply to payphone lines, and thus the economic consequences of applying PICC charges to payphones are no different in kind than the economic consequences of applying PICC charges to any other type of line.

Respectfully submitted,

SPRINT CORPORATION

A handwritten signature in dark ink, appearing to read "Jay C. Keithley", is written over a horizontal line.

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May 26, 1998

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **COMMENTS OF SPRINT CORPORATION** was Hand Delivered or sent by United States first-class mail, postage prepaid, on this the 26th day of May, 1998 to the below-listed parties:

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